

AGREEMENT

THIS AGREEMENT is made as of the 1st day of March, 1992, by and between Philip Morris Incorporated, a Virginia corporation with executive offices located at 120 Park Avenue, New York, New York 10017 ("Philip Morris") and SEE FACTOR INDUSTRY, INC., a New York corporation with executive offices located at 37-11 30th Street, Long Island City, New York, 11101 ("SFI").

1. Services

AND HISPANIC FESTIVAL CONCERTS

SFI will perform technical production services, which will include the following, for Philip Morris in connection with its MARLBORO Music State Fair Tour to be held at locations and on the dates set forth on Exhibit A (the "Concerts"). SFI will:

(a) provide the personal services of an operating crew which will include a production manager, and if and when requested by Philip Morris, a site coordinator, master carpenter, master electrician, labor supervisor, light crew, sound crew, drivers and other personnel required for the staging, lighting, provision of sound and other technical services in connection with the Concerts (the "Operating Crew"). All members of the Operating Crew must be reasonably satisfactory to Philip Morris and SFI will replace Operating Crew members Philip Morris deems unsatisfactory. SFI will provide supervision and support to the Operating Crew throughout the term of the Agreement; and,

(b) provide technical assistance and advice to Philip Morris and third parties designated by Philip Morris on all matters relating to the staging, lighting and sound at all Concert locations.

If and when requested by Philip Morris, SFI will provide the following additional services.

(a) supply and operate equipment, machinery, systems, materials and accessories ("Equipment") necessary for the first-class professional production of the Concerts;

(b) maintain and repair Equipment. SFI warrants that all Equipment will be in good operating condition during all Concerts;

(c) supervise the assembly of Equipment prior to each Concert and the dismantling of Equipment subsequent to each Concert unless otherwise instructed by Philip Morris or third parties designated by Philip Morris;

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(d) safely and securely transport the Equipment if, as and when directed by Philip Morris prior and subsequent to each Concert; and,

(e) cooperate with representatives of Philip Morris and third parties designated by Philip Morris and render other services reasonably requested by Philip Morris in connection with the Concerts.

SFI will be available to meet at reasonable times with Philip Morris representatives at Philip Morris headquarters in New York or other locations designated by Philip Morris and will perform in a professional manner throughout the term of the Agreement.

2. Payment

In full and complete consideration for the services to be rendered, Philip Morris will pay SFI \$25,500. Philip Morris will pay SFI \$4,250 upon submission of an invoice within thirty days of the complete execution of the Agreement; \$4,250 upon submission of an invoice on ~~June~~ 1, 1992; \$4,250 upon submission of an invoice on July 1, 1992; \$4,250 upon submission of an invoice on August 1, 1992; \$4,250 upon submission of an invoice on September 1, 1992; and the balance of \$4,250 within thirty days of submission of an invoice and complete performance to the reasonable satisfaction of Philip Morris.

3. Expenses

SFI will submit to Philip Morris for its advance approval an Operating Budget for each Concert listed on Exhibit A 60 days prior to the Concert. Approved Operating Budgets will be attached, collectively, as Exhibit B. Philip Morris will pay budget advances to SFI in accordance with the Operating Budgets. Total expenses are not to exceed the total of estimated expenses included in the Operating Budget approved by Philip Morris without the advance written approval of Philip Morris. The budget advances may be used only for approved expenditures in the categories set forth in each Operating Budget. SFI may not apply funds allocated to one budget category to expenses incurred in another category without the prior approval of Philip Morris.

SFI will submit to Philip Morris itemized statements of expenses paid on a monthly basis and will submit receipts for expenses in excess of \$25.

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4. Term and Termination

(a) The term of the Agreement will commence as of the date of the Agreement and continue until the later of November 30, 1992 or the complete performance of all services to the reasonable satisfaction of Philip Morris.

(b) Philip Morris may terminate the Agreement with or without cause upon thirty days advance written notice to SFI. If the Agreement is terminated, Philip Morris will remain obligated to pay SFI amounts due for disbursements or binding commitments to make disbursements properly incurred prior to termination. The payments will be made within twenty days of Philip Morris' receipt of notice from SFI as to such amounts. Philip Morris will have no obligation for disbursements made or obligations assumed after the date of termination or for the portion of payments attributable to services to be rendered after the termination date. SFI will provide Philip Morris with a final accounting of outstanding obligations incurred prior to the notice of termination within sixty days of SFI's receipt of written notice of termination. SFI will assign to Philip Morris or its designated agent all of SFI's interests, rights and obligations under agreements entered into by SFI with respect to the Concerts within thirty days of SFI's receipt of written notice of termination.

5. Records

SFI, its employees and agents will maintain detailed and accurate books and records of account with respect to services performed and will provide periodic reports as and when requested by Philip Morris. Philip Morris or its agents have the right, at Philip Morris' expense, to audit SFI's books from time to time, at reasonable times and places throughout the term and for six months thereafter in order to determine the correctness of the accounting, as well as SFI's compliance with its other obligations hereunder.

6. Confidentiality

SFI, its employees and agents will hold strictly confidential all information and materials provided by Philip Morris or created by SFI in performing this Agreement. The information and materials will remain the property of Philip Morris. SFI will not use or disclose such information unless authorized to do so in writing by Philip Morris. Upon termination or expiration of the Agreement, SFI will return all materials to Philip Morris. SFI's obligation to maintain the confidentiality of all information and material obtained by SFI from Philip Morris or created by SFI in connection with its performance will survive the termination or expiration of the Agreement.

7. Ownership

All material prepared or developed by SFI in connection with the Agreement will become the property of Philip Morris and SFI hereby agrees to assign to Philip Morris any and all rights to copyright the material. SFI will require that all employees, consultants and subcontractors performing creative services in connection with the Agreement agree to assign the materials they produce to Philip Morris and to acknowledge, in writing, that their copyrightable contributions are owned by Philip Morris.

8. Third Party Contacts

If at any time SFI is contacted by a third party, including the media, other than as contemplated by the terms of the Agreement, concerning its activities on behalf of Philip Morris, SFI will make no comment, immediately notify Philip Morris of the third party contact, and refer the third party to Philip Morris, Director, Event Marketing.

9. Indemnity

SFI agrees to indemnify and hold harmless Philip Morris, its affiliates and each of their respective officers, employees, directors and agents from any claim, liability, cost or expense, including reasonable attorneys' fees, that arise from, or may be attributable to any error, omission or fault of SFI. SFI's obligation to indemnify and hold harmless will survive the termination or expiration of the Agreement.

Philip Morris agrees to indemnify and hold harmless SFI, its affiliates and each of their respective officers, employees, directors and agents from any claim, liability, cost or expense, including reasonable attorneys' fees, that arise from, or may be attributable to any error, omission or fault of Philip Morris. Philip Morris' obligation to indemnify and hold harmless will survive the termination or expiration of the Agreement.

10. Insurance

No later than ten days prior to the date of each Concert, SFI will deliver to Philip Morris certificates of insurance evidencing coverage for (i) comprehensive general liability, including advertiser and contractual liability, with a combined single limit of no less than One Million Dollars per occurrence for bodily injury, including personal injury and property damage; (ii) comprehensive automobile liability for all owned, non-owned and hired vehicles with bodily injury limits of no less than Five Million Dollars per person, Five Million Dollars per accident; and property damage limits of no less than Five Million Dollars per accident; (iii) statutory worker's

compensation coverage meeting all state and local requirements; and, employer's liability with limits of no less than 500,000 dollars.

The certificates required by subparagraphs (i) and (ii) must name Philip Morris Incorporated, its affiliates, employees and assigns as additional insureds and must state that Philip Morris will be provided at least thirty days advance, written notice of a cancellation or modification of the insurance. The insurance must be primary coverage without right of contribution from any other Philip Morris insurance. Insurance maintained by Philip Morris is for the exclusive benefit of Philip Morris and will not inure to the benefit of SFI. SFI will procure comparable certificates of insurance from all subcontractors of SFI and the insurance must name Philip Morris and its affiliates, agents, representatives, employees and assigns as additional insureds.

11. Independent Contractor

Each of SFI and Philip Morris is an independent contractor of the other and this Agreement shall not be construed to create an association, partnership, joint venture, relation of principal and agent or employer and employee between Philip Morris and SFI or any of SFI's agents within the meaning of any federal, state or local law. SFI will not enter into an agreement, oral or written, on behalf of Philip Morris or otherwise obligate Philip Morris without having previously obtained Philip Morris' written approval.

12. Exclusivity

During the Term of the Agreement, and for six months thereafter, SFI will not, without the prior written consent of Philip Morris, engage in technical production or similar activities for any company or entity the business of which competes with any tobacco product of Philip Morris.

13. The MARLBORO Name

SFI recognizes and acknowledges that the MARLBORO name and the designs, emblems, slogans and insignia of MARLBORO and MARLBORO Music have great value and goodwill and are the sole property of Philip Morris, and SFI agrees that it has and will claim no right, title or interest to or in the same or the right to use the same except in accordance with the terms and conditions of this Agreement.

14. Miscellaneous

(a) This Agreement and all matters collateral hereto, shall be governed by the laws of the State of New York applicable to agreements made and to be performed entirely within the State of New York.

(b) SFI will comply fully with all applicable laws, regulations, and ordinances relating to its performance hereunder. SFI acknowledges that it is cognizant of the provisions of Title 15, Section 1331, et seq. of the United States Code.

(c) This Agreement is the complete agreement between the parties and supersedes any prior oral or written agreement between the parties regarding the performance by SFI of the services.

(d) If any provision of this Agreement is held invalid or unenforceable, the remaining provisions will remain in effect.

(e) This Agreement may not be amended or assigned except in a writing signed by both parties. If an assignment occurs, the assignment will not relieve the assigning party of its liabilities and obligations hereunder. The Agreement is binding upon successors and assigns of the parties. A waiver by either party of any of the terms and conditions of the Agreement in one or more instances will not constitute a permanent waiver of any term or condition of the Agreement.

(f) Notices provided shall be in writing and sent by certified mail, return receipt requested, to the respective parties at their addresses set forth above. Notices to SFI will be sent attention: Mr. Sheldon Diamond. Notices to Philip Morris will be sent attention: Director, Event Marketing.

SEE FACTOR INDUSTRY, INC.

By: John D

Title: President

Taxpayer ID#: 132745123

Filing Status: _____

PHILIP MORRIS INCORPORATED

By: John D

Title: _____

EXHIBIT A

Contact Venues

| | <u>State</u> | <u>Show Dates</u> |
|------------------------|-----------------|-------------------|
| Latinico Festival | Miami, FL | Sunday 3/14/93 |
| La Fiesta Broadway | Los Angeles, CA | Sunday 4/25/93 |
| TERITATIVA | | |
| Altilino Dome Hispanic | San Antonio, TX | Sunday 6/6/93 |
| — | | |

Fair American Festival

Chicago, IL

Sunday 8/8/93

El Pato Festival

New York, NY

Sunday 9/5/93

Events - OKLAHOMA

| | | |
|-----------------------------------|-------------------------|--------------------------|
| <u>State Fair</u> | <u>Ft. Smith, OK</u> | <u>Friday 10/1/93</u> |
| <u>Mid South Fair</u> | <u>Memphis, TN</u> | <u>Saturday 10/2/93</u> |
| <u>Louisiana State Fair</u> | <u>Birmingham, AL</u> | <u>Sunday 10/16/93</u> |
| <u>Ashville Agricultural Fair</u> | <u>Jacksonville, FL</u> | <u>Sunday 10/23/93</u> |
| <u>Louisiana State Fair</u> | <u>Shreveport, LA</u> | <u>Saturday 10/30/93</u> |

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